



**BANK VAN DE NEDERLANDSE ANTILLEN
(CENTRAL BANK)**

POLICY GUIDELINES
FOR FOREIGN ADMINISTRATORS

WILLEMSTAD, July 2003

INTRODUCTION

Pursuant to article 16 of the *National Ordinance on the Supervision of Investment Institutions and Administrators* (N.G. 2002, no. 137), hereafter referred to as “the NOSIIA”, the Bank may, in the interest of an adequate functioning of the financial markets and the position of the investors in those markets, impose restrictions and conditions on a license granted to an administrator.

This guideline addresses the Bank’s policy regarding foreign administrators not subject to adequate home-country supervision. A foreign administrator is an administrator that is not domiciled in the Netherlands Antilles and that provides administrative services to Netherlands Antillean investment institutions.

With regard to foreign administrators subject to adequate supervision by their home-country supervisory authority, reference is made to the *Policy Guidelines on Exemption Regulation for Administrators*.

FOREIGN ADMINISTRATORS NOT SUBJECT TO ADEQUATE HOME-COUNTRY SUPERVISION

Foreign administrators domiciled in jurisdictions whose supervision has not been judged by the Bank or whose supervision has not been classified as adequate, are regarded by the Bank as not being subject to adequate supervision. These administrators must comply with all the requirements applicable to administrators by virtue of the NOSIA.

Furthermore, pursuant to article 16 of the NOSIA, the Bank requires these foreign administrators to comply with the following additional requirements:

- The Board of Directors and the Supervisory Board, if applicable, must be available and approachable in the Netherlands Antilles upon the Bank's request.
- The external auditor must be available and approachable in the Netherlands Antilles upon the Bank's request.
- The administration of the administrator must be such that accounting records are kept in the Netherlands Antilles, which enables retrieval of the information referred to in article 18 of the *Directives on the Supervision of Investment Institutions and Administrators*. In practice, this implies the presence of the complete accounting records of an administrator in the Netherlands Antilles, which forms the basis for the audit to be conducted by an external auditor. Presence in the Netherlands Antilles can also mean the availability of the accounting records through an on-line connection. Furthermore, the following records must also be present in the Netherlands Antilles:
 - documentation and files evidencing compliance with the provisions of the National Ordinance on the Reporting of Unusual Transactions (N.G. 1996, no. 21) and the National Ordinance on the Identification when Rendering Financial Services (N.G. 1996, no. 23);
 - minutes of the meetings of the Board of Directors, the Supervisory Board, if applicable, and of joint meetings of these bodies;
 - copies of relevant contracts with third parties.

The Bank reserves the right to formulate additional regulations if desirable for the adequate supervision exerted by virtue of the NOSIA or if desirable to safe-guard the integrity and adequate functioning of the financial markets.

It should however be noted that foreign administrators not subject to adequate home-country supervision and that provide administrative services to exclusively exempted Netherlands Antillean investment institutions, are, as stipulated in the *Policy Guidelines on Exemption Regulation for Administrators*, eligible for an exemption.